



For Immediate Release
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**BAUCUS REMINDS KOREA'S PRESIDENT ROH:
TRADE PACT HINGES ON END TO BEEF BAN**

Finance Chairman says Korea's action in coming weeks will determine future of FTA

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today urged Korea's president to remove a major hurdle to a U.S.-Korea free trade agreement by lifting that country's ban on U.S. beef. In a letter to Korean President Roh Moo-hyun, Baucus reminded Roh that a trade pact will not move through the Finance Committee until the beef issue is resolved. Korea has an opportunity to move the agreement forward by accepting World Animal Health Organization (OIE) safety standards to be formalized next month. The recommendations of OIE experts have already certified U.S. beef as safe.

"Korea is picking the wrong fight here. U.S. beef is the safest in the world, and they're letting a ban with no scientific basis block this trade agreement," said Baucus. **"America's ranchers deserve fair market access to Korea, and I can't let this trade agreement move until they get it. I welcome President Roh's statement that Korea will abide by international safety standards for beef. I expect that he will respect World Animal Health Organization standards when they're made formal next month."**

Korea was the third largest importer of U.S. beef before it banned the importation of U.S. beef in 2003, following reports of bovine spongiform encephalopathy, or BSE, in cattle that originated from Canada. In September 2006, Korea partially opened its market to U.S. imports of boneless beef from cattle less than 30 months old. Since then, however, Korea has rejected three large shipments after very lengthy inspections found tiny bone fragments. Korea's rejection of these shipments – and its refusal to lift the ban for other U.S. beef products – is not supported by science. OIE standards fully support the safety of boneless and bone-in U.S. beef, regardless of the age of the cattle.

The Finance Committee oversees U.S. trade policy. Text of the Chairman's letter follows here.

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April 24, 2007

His Excellency Roh Moo-hyun
President, Republic of Korea
Cheong Wa Dae
1 Jongno-gu
Seoul, Republic of Korea

Dear President Roh:

As you know, I have long been a champion of deepened trade and economic links between the United States and Korea. Alone among many, I first called for free trade agreement (“FTA”) negotiations with Korea in 1999 and have consistently supported that goal. I strongly admired your courageous decision to enter into FTA negotiations with the United States last year and continue to believe that an FTA between our two countries holds enormous opportunities for our economies and workers.

Unfortunately, I am deeply disappointed that Korea was unable to commit to normalize beef trade at the conclusion of negotiations. Throughout the talks – notably at the December 2006 round of negotiations held in my home state of Montana – I made it clear that my support for this agreement hinges on whether Korea commits to lift its unscientific ban on exports of American beef. Your government’s failure to do so has put me in the position of opposing the recently concluded agreement. And, as I have stated publicly, I will continue to oppose the agreement until American beef is flowing into the Korean market and I have adequate assurances that it will continue to do so.

I welcome your strong verbal commitment to abide by the international standards of the World Animal Health Organization (“OIE”). Those standards are clear — U.S. beef, bone-in, boneless, and offals, regardless of the age, are as healthy and safe as any beef produced in the world. This was the conclusion of an OIE panel of expert scientists earlier this year, and the full OIE is expected to formalize this recommendation next month. Your timeframe for resolving this issue is critical and will inform my actions in the coming weeks and months.

I appreciate your personal attention to this vital matter.

Sincerely,

Max Baucus

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